

An aerial photograph of a city, likely New York City, showing a dense urban landscape with numerous buildings and a river (the Hudson River) visible in the lower portion of the image. The text is overlaid on this background.

# **Practical Financing for Redevelopment**

## **Lawrence & the Union Crossing Development**

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**Lawrence, Massachusetts**

# Background on Lawrence, MA

- Population: 72,000 in 7 square miles
- Struggling former mill city
  - aging infrastructure,
  - high unemployment: 17% in Nov 2009
  - low educational attainment: only 12% have bachelors degree
- Immigrant gateway, now largely Latino
- Young, energetic population (30% under 18)
- Good location at nexus of Rtes 93 and 495

# Lawrence Community Works (LCW)



- LCW is a 501 c 3 community development corporation.
- Mission: to transform the physical, economic and civic landscape of Lawrence through the actions of a growing group of residents who are LCW members.
- Activities include: Real estate work, family asset building, youth development, community organizing.
- Real estate work: more than \$20 million in investment over the past 10 years, including
  - 50 units of new housing,
  - three parks, and a
  - cutting edge community center.

# Community Development Corporations

- **Independent, Non Profit Corporations**
- Often serve a **geographic location** such as a neighborhood or town.
- Often focus on serving **lower-income residents or struggling neighborhoods.**
- Can be involved in a variety of activities including **economic development, education, community organizing and real estate development.**
- Often have focus on **resident involvement/ representation.**
- Often **raise and coordinate wide variety of financing:**  
Federal, State, City, Foundation, Private & Bank

**Union Crossing location: less than ¼ mile from Route 495 and the train station**

**Lawrence General Hospital**

**Downtown Lawrence (Essex St.)**

**Entrance to 495**

**McGovern Transportation Center**

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Image MassGIS, Commonwealth of Massachusetts EOEA

Pointer 42°42'20.80" N 71°09'12.33" W elev 45 ft Streaming ||||| 100%

Eye alt 4153 ft

Google



## **Union Crossing: A Lawrence-Centric Redevelopment of a Historic Mill Complex**

**Multi-use development to create a vibrant new Lawrence neighborhood, including:** market rate and affordable housing, commercial space for start-up and expanding businesses, technology & light industrial, day care center and green space.

### **Developers:**

Lawrence CommunityWorks: Housing, Day Care & Site Development

MainStream Global, Lou & Juan Yopez: Commercial Development

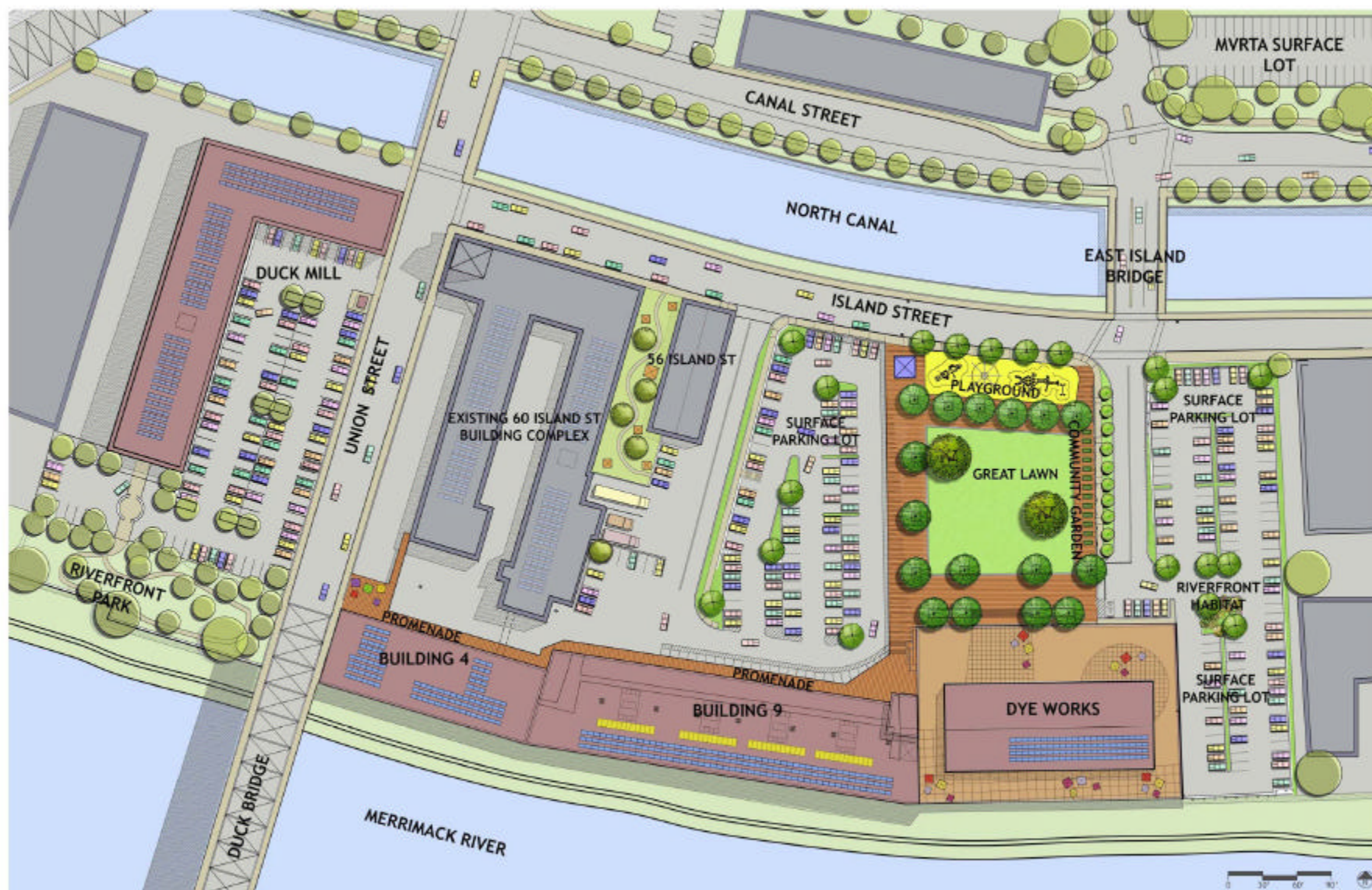
City of Lawrence: Infrastructure, Road & Bridge Work

# Union Crossing properties

50 Island Street



4 Union Street/ 220 Canal Street



# UNION CROSSING

LAWRENCE, MA

# Union Crossing Vision

- Union Crossing will **create a new neighborhood** in the heart of the historic mill district, built by and for the people of Lawrence;
- Union Crossing will **celebrate and preserve the City's rich history**, adapting nineteenth century textile mills to twenty-first century needs;
- Union Crossing will **utilize cutting-edge design and technology** to create a **healthy, energy-efficient, and environmentally sustainable** development;
- Union Crossing will provide high-quality **family and workforce housing** for people of all income levels, and **help Lawrence families to build their economic and educational assets**;
- Union Crossing will support **innovation and entrepreneurship**, create **high-quality jobs**, and spur **economic growth**.

# Union Crossing Development Summary

Entire Project	Union Crossing Phase I
360,000 sq.ft. of renovated space	270,000 sq. ft.
125+ units family & workforce housing,	60 units of affordable housing
Appx. 186,000 sq.ft. commercial office, retail, and classroom/ laboratory space;	171,000 sq. ft. commercial
New state-of-the-art early childhood education center;	Early childhood education center
1.5-2.5 acres of new community green space	Green space

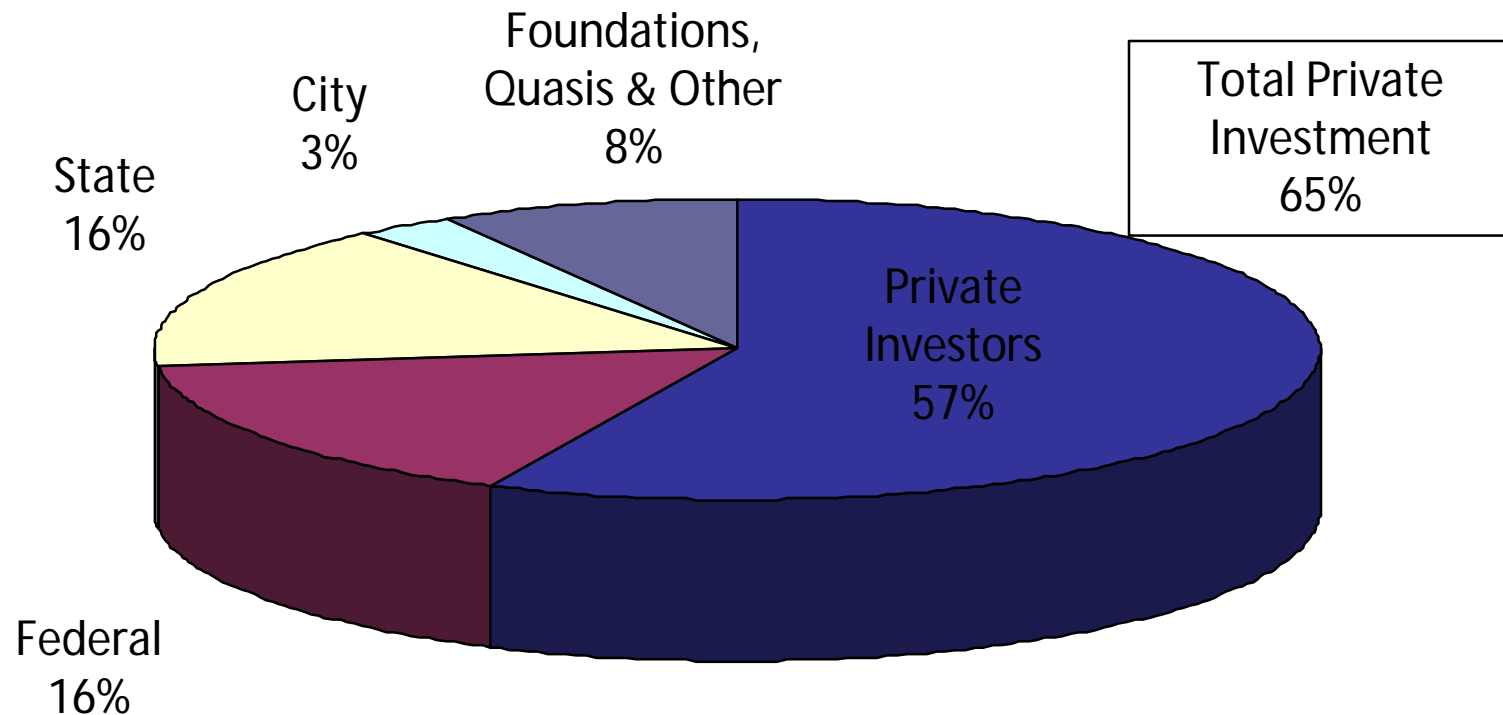
# Union Crossing Impact

Entire Project	Union Crossing Phase I
Construction 2013	Construction to begin Spring/Summer 2010
Appx. \$130,000 in municipal tax revenues at full build-out	Approx. \$70,000 in taxes
	200+ new permanent jobs 175 new construction jobs
\$75 million on-site development \$5 million in city road and bridge work	\$40 million on-site development \$2.5 million in city road and bridge work

# Financing Sources, Phase I

Minimum of 24 Sources of Financing, assembled over four years

\$2.5 million in Infrastructure Funding (Federal) Leverages \$40 million in public and private investment.



# Financing Sources, Phase I

<b>Private Investment:</b> Private Development Partners Bank Loans Tax Credit Investors/Syndicators Energy Efficiency Incentives/Utilities The Life Initiative	<b>City:</b> HOME Program Community Development Block Grant Program (CDBG)
<b>Foundations, Quasis &amp; Other:</b> Fireman Foundation Federal Home Loan Bank Mass Development Mass Housing Partnership NeighborWorks America	<b>State:</b> HOME Program Tax Credit Assistance Program Low Income Housing Tax Credit State Historic Tax Credits Community Development Assistance Grants (CDAG) (for infrastructure) Public Works and Economic Development (PWED) Grant (for infrastructure) Housing Innovations Fund Affordable Housing Trust Tax Credit Exchange Program
<b>Federal Funds:</b> Economic Development Admin (EDA), Dept of Commerce Transportation and Infrastructure Generating Economic Revitalization (TIGER), Dept of Transport. Economic Development Initiative (EDI), Dept of Housing & Urban Dev. Federal Historic Tax Credits	

# Lessons Learned

- Importance of broadly shared vision and planning process
- Importance of collaborations & partnerships: Merrimack Valley Planning Commission, federal, state, local elected officials, quasis
- Need to leverage multiple funding sources
  - Juggling!
- Non profits, working in concert with cities, can be an effective vehicle for local development.
- It's better to do development when you are not in a global economic crisis
  - Non-profit development can succeed in environments where private development cannot
- Affordable housing, done well, can be a good driver for development, especially in third tier cities